- 1. (Twice Amended) A system for distributing music to a plurality of customer households, the system comprising:
- (a) a data transmission system for blanket transmitting a plurality of music selections to the plurality of customer households in digital format;
- (b) a user station at at least one of the customer households, the user station including:
  - i. a user interface for permitting the customer household to preselect a transmitted music selection for recording;
    - ii. a receiver;
  - iii. an audio output for outputting audio signals to a playback device for enabling the customer household to playback the recorded music selection; and
  - iv. an storage device in communication with the receiver for writing the received music selection in encrypted form to a removable storage medium, such that the music selection cannot be decrypted without at least one key;
- (c) a central controller system having a database for storing therein information corresponding to the customer households;
- (d) a communications link between the customer household and the central controller system for transmitting, subsequent to the recording, the at least one key to the user station; and
- (e) a billing system associated with the central controller system to bill the customer household for the one or more transmitted keys.
- 2. (Twice Amended) A method for distributing music to a plurality of customer/households, the method comprising the steps of:



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- (a) blanket transmitting a plurality of music selections to the plurality of customer households in digital format;
- (b) transmitting to the customer households information identifying available music selections that will be transmitted;
- (c) preselecting and recording at the customer household a transmitted music selection, the recording comprising writing the received music selection in encrypted form to a removable storage medium, such that the music selection cannot be decrypted without at least one key;
- (d) transmitting, subsequent to the recording, the at least one key to the user customer household; and
  - (e) billing the customer household for the at least one transmitted key.
- 11. (Amended) The system according to Claim 1, wherein the user station transmits an indication of the music selections preselected by each customer household to the central controller system.

17. (Amended) The system according to Claim 90, wherein the user station comprises a circuit for degrading a quality of the previewed preselected music selections by a process selected from the group consisting of:

compressing the preselected music selections;

adding distortion to the preselected music selections,

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overlaying voice over the preselected music selections; and deleting sections from the preselected music selections.

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37. (Amended) The system according to Claim 1, wherein the storage device comprises one of a removable read and write optical disk, a hard disk drive, and flash memory.

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55. (Amended) The method according to Claim 2, the method further comprising the step of transmitting an indication of the music selections preselected by the customer household to the central controller system.

60. (Amended) The method according to Claim 92, wherein the user station comprises a circuit for degrading quality of the previewed preselected music selections previewed by a process selected from the group consisting of:

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compressing the preselected music selections; adding distortion[s] to the preselected music selections;

overlaying voice over the preselected music selections; and

deleting sections from the preselected music selections.

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1300 I Street, NW Washington, DC 20005 202.408.4000 Fax 202.408.4400 www.finnegan.com 78. (Amended) The method according to Claim 76, further comprising the steps of:

providing the media player that is enabled to play the compressed, encrypted and watermarked format, and

Con 37 tracking a number of times that the each of the plurality of music selections written on the writable recording media is played by the media player; and limiting the number of times that one of the music selections can be played.

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- 80. (Amended) The method according to Claim 2, wherein the recording is performed by a storage device comprising at least one of, a removable read and write optical disk, a hard disk drive, and flash memory.
- 84. (Amended) The method according to Claim 83, the method further comprising the steps of:

providing music preference information regarding each of the plurality of households to the central controller from the peer-to-peer music sharing system; and generating a customer profile at the central controller system for each of the

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90. (New) A system for distributing music to a plurality of customer households, the system comprising:

plurality of households based on the provided music preference.

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- (a) a data transmission system for blanket transmitting a plurality of music selections to the plurality of customer households in digital format;
- (b) a user station at the plurality of customer households, enabling the customer household to preview the plurality of music selections a predetermined number of times before billing the customer household for the plurality of music selections, the user station including:

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- i. a user interface for permitting the customer household to preselect a transmitted music selection for recording;
  - ii. a receiver,
- iii. a high capacity storage medium, in communication with the receiver for recording the preselected music selection in digital form; and
- iv. an audio output for outputting audio signals from the high capacity storage medium to a playback device for enabling the customer household to playback the recorded music selection;
- (c) a central controller system having a database for storing therein information corresponding to the customer household;
- (d) a communications link between the customer household and the central controller system for verifying to the controller system when a preselected music selection has been made available for playback; and
- (e) a billing system associated with the central controller system to bill customer household for a music selection that has been made available for playback.
- 91. (New) A system for distributing music to a plurality of customer households, the system comprising:
- (a) a data fransmission system for blanket transmitting a plurality of music selections to a plurality of user stations, in digital format;
- (b) the plurality the user stations, at the plurality of customer households, including:

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- i. a user interface for permitting the customer household to preselect a transmitted music selection for recording and designate music preference information;
  - ii. a receiver;
- iii. a high capacity storage medium, in communication with the receiver, for recording the preselected music selection in digital form; and
- iv. an audio butput for outputting audio signals from the high capacity storage medium to a playback device for enabling the customer household to playback the recorded music selection;
- (c) a central controller system assigning a customer profile according to the music preference information for the customer household communicated by one of the user stations to the central controller system and automatically enabling blanket transmission of music content to the user station without requiring a selection from the plurality of user stations according to the assigned customer profiles, the central controller system, comprising:
- i) a database for storing therein information corresponding to the customer household and the central controller system,
- ii) a customer preference information storage memory for receiving and storing designated music preference information for each of the plurality of customer households,
- iii) a general population preference database for storing preference information for all of the plurality of customer households, and
- iv) a customer catalog generator for analyzing the customer preference information storage memory and the general population preference

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database to create an individual customer catalog for the customer household that determines which music is automatically blanket transmitted;

- (d) a communications link between the customer household and the central controller system for verifying to the controller system when a preselected music selection has been made available for playback; and
- (e) a billing system associated with the central controller system to bill the customer household for the music selections have been made available for playback.
- 92. (New) A method for distributing music to a plurality of customer households, the method comprising the steps of:
- (a) blanket transmitting a plurality of music selections to the plurality of customer households in digital format;
- (b) providing a customer household with information identifying the music selections that will be transmitted;
- (c) preselecting and recording the transmitted music selection at the customer household on a high capacity storage medium;
- (d) enabling the customer household to preview the preselected music selection a predetermined number of times;
- (e) enabling the customer household to playback the recorded music selection;
- (f) communicating music playback information from the customer household to a central controller system; and
- (g) billing the customer household for the recorded music selection that has been played back, based on the communicated music playback information.

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- 93. (New) A method for distributing music to a plurality of customer households, the method comprising the steps of:
  - (a) receiving music preference information from a customer household;
- (b) assigning customer profiles to the customer households based on the received music preference information;
- (c) creating, for the dustomer household, from the music preference information, an individual customer catalog identifying music for transmission to the customer household;
- (d) blanket transmitting, to the customer household, music content according to the customer catalog for that customer household;
  - (e) enabling the customer household to playback a recorded music selection;
- (f) communicating music playback information from the customer household to a central controller system; and
- (g) billing the customer household for the recorded music selection that has been played back.
- 94. (New) A system for distributing music to a plurality of customer households, the system comprising:
- (a) a data transmission system for blanket transmitting a plurality of music selections to the plurality of customer households in digital format;
- (b) a user station at the plurality of customer households, enabling the customer household to preview the plurality of music selections a predetermined

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number of times before billing the customer household for the plurality of music selections, the user station including:

- i. a user interface for permitting the customer household to preselect a transmitted music selection for recording;
  - ii. a receiver;
- iii. a high capacity storage medium, in communication with the receiver for recording the preselected music selection in digital form;
- (c) a central controller system having a database for storing therein information corresponding to the customer household;
- (d) a communication's link between the customer household and the central controller system for verifying to the controller system when a preselected music selection has been made available for playback; and
- (e) a billing system associated with the central controller system to bill customer household for a music selection that has been made available for playback.

95. (New) A user station for receiving broadcast music, the user station comprising:

a user interface for permitting the customer household to preselect a transmitted music selection for recording;

a receiver;

an audio output for outputting audio signals to a playback device for enabling the customer household to playback the recorded music selection; and

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